

ANNUAL FINANCIAL REPORT
OF THE
VILLAGE OF CANKTON, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2014

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Harold Dupre, CPA
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Joel Lanclos, Jr., CPA
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INDEPENDENT AUDITOR'S REPORT

The Honorable Susan Menard, Mayor
and Members of the Board of Aldermen
Village of Cankton, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Village of Cankton, Louisiana, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The Honorable Susan Menard, Mayor
and Members of the Board of Aldermen
Village of Cankton, Louisiana

Basis for Adverse Opinion an Aggregate Discretely Presented Component Units

The financial statements referred to previously do not include financial data for the Village's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the Village's primary government unless the Village also issues financial statements for the financial reporting entity that include the financial data for its component units. The Village has not issued such reporting entity financial statements. The effects of this departure from accounting principles generally accepted in the United States of America on the assets, liabilities, net position, revenues and expenses of the aggregate discretely presented component units are not reasonably determinable.

Adverse Opinion on Aggregate Discretely Presented Component Units

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion an Aggregate Discretely Presented Component Units", the financial statements referred to previously do not present fairly the financial position of the aggregate discretely presented component units of the Village, as of June 30, 2014, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the Village of Cankton, Louisiana, as of June 30, 2014, and the respective changes in financial position and where applicable, cash flows, thereof and for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 25 and 26 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Honorable Susan Menard, Mayor
and Members of the Board of Aldermen
Village of Cankton, Louisiana

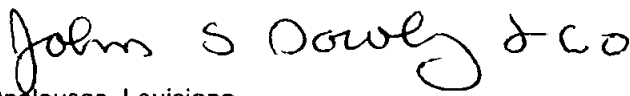
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Cankton's basic financial statements. The other supplementary information on pages 27 through 34 and 40 through 43 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The individual fund financial statements and other supplementary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information, except for the Schedule of Insurance marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund financial statements and other supplementary schedules, except for the Schedule of Insurance, are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated November 10, 2014, on our consideration of the Village of Cankton's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Cankton's internal control over financial reporting and compliance.


Opelousas, Louisiana
November 10, 2014

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

VILLAGE OF CANKTON, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2014

	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITIES</u>	<u>TOTAL</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 252,395	\$ 508,186	\$ 760,581
Receivables (net of allowances for uncollectibles)	13,305	40,259	53,564
Due from restricted assets	-	1,113	1,113
Prepaid insurance	6,431	2,812	9,243
Accrued interest receivable	12	49	61
Internal balances	2,028	(2,028)	-
Restricted assets	-	41,743	41,743
Capital assets (net)	300,714	1,913,071	2,213,785
<u>Total assets</u>	<u>574,885</u>	<u>2,505,205</u>	<u>3,080,090</u>
<u>LIABILITIES</u>			
Accounts payable and accrued expenses	5,215	4,850	10,065
Payable from restricted assets	-	41,743	41,743
<u>Total liabilities</u>	<u>5,215</u>	<u>46,593</u>	<u>51,808</u>
<u>NET POSITION</u>			
Net investment in capital assets	300,714	1,913,071	2,213,785
Unrestricted	268,956	545,541	814,497
<u>Total net position</u>	<u>569,670</u>	<u>2,458,612</u>	<u>3,028,282</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF CANKTON, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSES) REVENUES AND CHANGES IN NET POSITION		
		FEES, FINES AND CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities							
General government	\$ 79,561	\$ 1,800	\$ -	\$ -	\$ (77,761)	\$ -	\$ (77,761)
Public safety	88,109	43,307	-	-	(44,802)	-	(44,802)
<u>Total governmental activities</u>	<u>167,670</u>	<u>45,107</u>	<u>-</u>	<u>-</u>	<u>(122,563)</u>	<u>-</u>	<u>(122,563)</u>
Business-type Activities							
Water Fund	225,977	273,787	-	26,800	-	74,610	74,610
<u>Total business-type activities</u>	<u>225,977</u>	<u>273,787</u>	<u>-</u>	<u>26,800</u>	<u>-</u>	<u>74,610</u>	<u>74,610</u>
<u>Total primary government</u>	<u>393,647</u>	<u>318,894</u>	<u>-</u>	<u>26,800</u>	<u>(122,563)</u>	<u>74,610</u>	<u>(47,953)</u>
General Revenues							
Taxes							
Sales taxes, levied for general purposes					26,907	-	26,907
Franchise taxes					27,729	-	27,729
Racino income					29,060	-	29,060
Interest and investment earnings					325	617	942
Occupational licenses and other permits					14,107	-	14,107
State beer tax					552	-	552
Gain (loss) on sale of fixed assets					2,100	-	2,100
Miscellaneous					3,690	-	3,690
Operating transfers					15,000	(15,000)	-
<u>Total general revenues and transfers</u>					<u>119,470</u>	<u>(14,383)</u>	<u>105,087</u>
<u>Change in net position</u>					<u>(3,093)</u>	<u>60,227</u>	<u>57,134</u>
Net position - July 1, 2013					<u>572,763</u>	<u>2,398,385</u>	<u>2,971,148</u>
Net position - June 30, 2014					<u>569,670</u>	<u>2,458,612</u>	<u>3,028,282</u>

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

MAJOR FUNDS DESCRIPTIONS

GENERAL FUND

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund. The General Fund has a greater number and variety of revenue sources than any other fund, and its resources normally finance a wider range of activities. The resources of the General Fund are ordinarily largely expended and replenished on an annual basis.

SALES TAX FUND

The Sales Tax Fund is used to account for the collection of a 1% sales and use tax and its subsequent disbursement in accordance with the sales tax dedication. The proceeds of the 1% sales tax are dedicated to current operating purposes or the acquisition of furniture, fixtures, machinery, equipment, or other relatively minor or comparatively short-lived assets.

ENTERPRISE FUND

The Water Fund is used to account for the provision of water services to residents of the Village. The Water Fund is used to account for operations that are financed and operated in a manner where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

VILLAGE OF CANKTON, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2014

	<u>GENERAL</u>	<u>SALES TAX FUND</u>	<u>TOTAL</u>
<u>ASSETS</u>			
Cash	\$ 29,551	\$ 113,543	\$ 143,094
Investments	-	109,301	109,301
Intergovernmental	13,305	-	13,305
Due from other funds	2,028	-	2,028
	<u>44,884</u>	<u>222,844</u>	<u>267,728</u>
<u>Total assets</u>	<u>44,884</u>	<u>222,844</u>	<u>267,728</u>
<u>LIABILITIES AND FUND EQUITY</u>			
<u>LIABILITIES</u>			
Accounts payable	\$ 4,137	\$ 884	\$ 5,021
Payroll taxes payable	194	-	194
<u>Total liabilities</u>	<u>4,331</u>	<u>884</u>	<u>5,215</u>
<u>FUND BALANCES</u>			
Fund balances			
Unassigned	40,553	-	40,553
Restricted	-	221,960	221,960
<u>Total fund balances</u>	<u>40,553</u>	<u>221,960</u>	<u>262,513</u>
<u>Total liabilities and fund balances</u>	<u>44,884</u>	<u>222,844</u>	<u>267,728</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF CANKTON, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS' BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2014

Total fund balances for governmental funds at June 30, 2014		\$ 262,513
Cost of capital assets at June 30, 2014	\$ 737,385	
Less: Accumulated depreciation as of June 30, 2014	<u>(436,671)</u>	300,714
Elimination of interfund assets and liabilities		
Due from other funds	2,028	
Due to other funds	<u>(2,028)</u>	-
Plus: Prepaid insurance on accrual basis		6,431
Plus: Additional accrued interest on accrual basis		<u>12</u>
Net position at June 30, 2014		<u><u>569,670</u></u>

The accompanying notes are an integral part of this statement.

VILLAGE OF CANKTON, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	<u>GENERAL</u>	<u>SALES TAX</u>	<u>TOTALS</u>
<u>REVENUES</u>			
Taxes	\$ 27,729	\$ 26,907	\$ 54,636
Licenses and permits	14,107	-	14,107
Intergovernmental	29,612	-	29,612
Fines	43,307	-	43,307
Charges for services	1,800	-	1,800
Miscellaneous revenues	3,697	316	4,013
<u>Total revenues</u>	<u>120,252</u>	<u>27,223</u>	<u>147,475</u>
<u>EXPENDITURES</u>			
Current operating			
Executive and administrative	60,121	10,807	70,928
Public safety			
Police Department	55,807	-	55,807
Fire Department	11,873	-	11,873
Capital outlay	44,397	-	44,397
<u>Total expenditures</u>	<u>172,198</u>	<u>10,807</u>	<u>183,005</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u> <u>OVER (UNDER) EXPENDITURES</u>	<u>(51,946)</u>	<u>16,416</u>	<u>(35,530)</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating transfers in (out)	45,000	(30,000)	15,000
Gain on sale of fixed assets	2,100	-	2,100
<u>Total other financing sources (uses)</u>	<u>47,100</u>	<u>(30,000)</u>	<u>17,100</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>(4,846)</u>	<u>(13,584)</u>	<u>(18,430)</u>
<u>FUND BALANCES, beginning of year</u>	<u>45,399</u>	<u>235,544</u>	<u>280,943</u>
<u>FUND BALANCES, end of year</u>	<u>40,553</u>	<u>221,960</u>	<u>262,513</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF CANKTON, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014

Total net change in fund balances for the year ended June 30, 2014 per Statement of Revenues, Expenditures, and Changes in Fund Balances			\$ (18,430)
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 44,397		
Depreciation expense for year ended June 30, 2014	<u>(29,185)</u>	15,212	
Difference between prepaid insurance on modified accrual basis versus accrual basis			123
Difference between accrued interest receivable on modified accrual basis versus accrual basis			<u>2</u>
Total change in net position for the year ended June 30, 2014 per Statement of Activities			<u><u>(3,093)</u></u>

The accompanying notes are an integral part of this statement.

VILLAGE OF CANKTON, LOUISIANA
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2014

BUSINESS-TYPE ACTIVITY
ENTERPRISE FUND

<u>ASSETS</u>	
<u>CURRENT ASSETS</u>	
Cash	\$ 310,603
Investments	197,583
Receivables net of allowance for uncollectibles	40,259
Prepaid insurance	2,812
Accrued interest receivable	49
Due from restricted assets	1,113
<u>Total current assets</u>	<u>552,419</u>
<u>RESTRICTED ASSETS</u>	
Cash	
Customers' deposits	41,743
<u>Total restricted assets</u>	<u>41,743</u>
<u>PROPERTY, PLANT, AND EQUIPMENT</u>	
Utility plant and depreciable assets (net of accumulated depreciation)	1,913,071
<u>Total assets</u>	<u>2,507,233</u>
<u>LIABILITIES AND NET POSITION</u>	
<u>CURRENT LIABILITIES (from current assets)</u>	
Accounts payable	4,605
Payroll taxes payable	245
Due to other funds	2,028
<u>Total</u>	<u>6,878</u>
<u>CURRENT LIABILITIES (from restricted assets)</u>	
Customers' deposits	40,630
Due to operating account	1,113
<u>Total</u>	<u>41,743</u>
<u>Total current liabilities</u>	<u>48,621</u>
<u>Total liabilities</u>	<u>48,621</u>
<u>NET POSITION</u>	
Net invested in capital assets	1,913,071
Unrestricted	545,541
<u>Total net position</u>	<u>2,458,612</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF CANKTON, LOUISIANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2014

BUSINESS-TYPE ACTIVITY
ENTERPRISE FUND

OPERATING REVENUES

Charges for services	\$ 239,249
Waterworks District No. 2 income	34,538
<u>Total operating revenues</u>	<u>273,787</u>

OPERATING EXPENSES

Personal services	44,382
Supplies	26,694
Other expenses	89,812
Depreciation	65,089
<u>Total operating expenses</u>	<u>225,977</u>

OPERATING INCOME

47,810

NONOPERATING REVENUES (EXPENSES)

Interest income	617
State grant income	26,800
<u>Total nonoperating revenues (expenses)</u>	<u>27,417</u>

INCOME BEFORE OPERATING TRANSFERS

75,227

OPERATING TRANSFERS OUT

Operating transfers out	(15,000)
<u>Total operating transfers out</u>	<u>(15,000)</u>

CHANGE IN NET POSITION

60,227

NET POSITION, beginning of year

2,398,385

NET POSITION, end of year

2,458,612

The accompanying notes are an integral part of this statement.

VILLAGE OF CANKTON, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2014

BUSINESS-TYPE ACTIVITY
ENTERPRISE FUND

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from customers	\$ 270,190
Cash payments to suppliers for goods and services	(120,907)
Cash payments to employees for services	(45,320)
<u>Net cash provided by operating activities</u>	<u>103,963</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Grant revenue received	26,800
Acquisition and construction of capital assets	(33,093)
<u>Net cash used by capital and related financing activities</u>	<u>(6,293)</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Operating transfers out	(12,972)
<u>Net cash used by noncapital financing activities</u>	<u>(12,972)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest earned	625
Purchase of investments - Certificate of deposit	(520)
<u>Net cash provided by investing activities</u>	<u>105</u>

NET INCREASE IN CASH

84,803

CASH AND CASH EQUIVALENTS, beginning of year

267,543

CASH AND CASH EQUIVALENTS, end of year

352,346

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED
(USED) BY OPERATING ACTIVITIES

Operating income	\$ 47,810
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation	65,089
(Increase) decrease in accounts receivable	(6,087)
(Increase) decrease in prepaid insurance	58
Increase (decrease) in accounts payable	(4,459)
Increase (decrease) in payroll taxes payable	(938)
Net increase in customers' deposits	2,490
<u>Total adjustments</u>	<u>56,153</u>
<u>Net cash provided by operating activities</u>	<u>103,963</u>

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

VILLAGE OF CANKTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Village of Cankton, Louisiana have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units, hereinafter referred to as GAAP (generally accepted accounting principles). The accepted standard-setting body for establishing governmental accounting and financial reporting principles is GASB (the Governmental Accounting Standards Board)

The following is a summary of certain significant accounting policies and practices of the Village of Cankton, Louisiana.

A. FINANCIAL REPORTING ENTITY

The Village was incorporated under the provision of the Lawrason Act. The Village operates under a Mayor-Board of Aldermen form of government. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationships with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The financial statements report only the Village of Cankton, the primary government and does not include the component unit identified as follows:

Coulee Croche Fire Protection District No. Four

The Fire District leases land from the Village of Cankton under a 99 year lease for \$10 per year and the Village of Cankton is the governing authority for the Fire District.

Complete financial statements for the component unit may be obtained at 107 Dandurand Street, Cankton, Louisiana 70584. The primary government financial statements of the Village of Cankton do not include the financial data of the component unit described above. This component unit financial data is necessary for reporting in conformity with generally accepted accounting principles.

B. BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of Net Position and the Statement of Activities display information on all of the nonfiduciary activities of the Village of Cankton, the primary government, as a whole. They include all funds of the reporting entity. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

VILLAGE OF CANKTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF PRESENTATION - Continued

FUND FINANCIAL STATEMENTS

The accounts of the Village are organized and operated on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The various funds of the Village are classified into two categories - governmental and proprietary. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

1. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type; and
2. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5% of the corresponding total for all governmental and enterprise funds combined.

The Village reports the following major governmental funds:

General Fund. The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Fund

Sales Tax Fund. The Sales Tax Fund is used to account for the proceeds of a one percent (1%) sales and use tax that is legally restricted to expenditures for specified purposes.

The Village reports the following major proprietary fund:

Enterprise Fund

Water Fund. The Water Fund accounts for water services to residents of the Village of Cankton. All activities necessary to provide such services are accounted for in this fund including, but not limited to, operations, construction, administration, maintenance, financing and related debt service, and billings and collections.

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

VILLAGE OF CANKTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING - Continued

MEASUREMENT FOCUS

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balances as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an "economic resources" measurement focus. The accounting objective of this measurement focus is the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

BASIS OF ACCOUNTING

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The proprietary fund utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Services for water are recorded as revenue when billed to customers on a monthly route reading cycle. At the end of the year, utilities services which have been rendered from the latest date of each route reading cycle to year-end which are unbilled are accrued for financial reporting purposes.

PROGRAM REVENUES

Program revenues included in the Statement of Activities as derived directly from the program itself or from parties outside the Village's taxpayers or citizenry, as a whole; program revenues reduced the cost of the function to be financed from the Village's general revenues.

VILLAGE OF CANKTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING - Continued

ALLOCATION OF INDIRECT EXPENSES

The Village reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions, but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long term debt is considered an indirect expense and is reported separately in the Statement of Activities.

CASH AND INVESTMENTS

Louisiana statutes authorize the Village to invest in United States bonds, treasury notes or certificates, time certificates of deposit in state and national banks, or any other federally insured investment.

Bank deposits must be secured by federal depository insurance or the pledge of securities owned by the bank. The market value of the pledged securities must at all times equal or exceed 100% of the uninsured amount on deposit with the bank.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Village's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the Village or the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. As of June 30, 2014, the Village's total bank balances were fully insured and therefore not exposed to custodial credit risk.

At year-end, the carrying amount of the Village's cash was \$802,324. The bank balance of cash was \$804,304. Of the bank balance, approximately \$500,000 is covered by federal depository insurance, and approximately \$304,304 is covered by securities held by the bank in the Village's name.

CASH AND CASH EQUIVALENTS

For purposes of the Statement of Cash Flows, the Village considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

INTERFUND RECEIVABLES AND PAYABLES

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position.

CAPITAL ASSETS

The accounting treatment over property, plant and equipment (capital assets) depends on whether they are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Prior to GASB No. 34, governments were not required to report general infrastructure assets. The Village of Cankton will capitalize infrastructure expenditures as incurred.

VILLAGE OF CANKTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING - Continued

CAPITAL ASSETS - Continued

In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost if actual is unavailable, except for donated assets, which are recorded at their estimated fair value at the date of donation. The Village of Cankton maintains a threshold level of \$500 or more for capitalizing capital assets.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings and improvements	10 - 40 years
Furniture and equipment	5 - 40 years
Vehicles	9 - 20 years
Water system	10 - 40 years

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

It is the policy of the Village to capitalize material amounts of interest resulting from borrowings in the course of the construction of fixed assets.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as facilities acquisition and construction expenditures of the governmental fund upon acquisition.

BAD DEBTS

Uncollectible amounts due for customers' utility receivables are recognized as bad debts through the adjustment of an allowance account to the balance of individual accounts deemed uncollectible at the end of each fiscal year.

BUDGETS AND BUDGETARY ACCOUNTING

The Village follows these procedures in establishing the budgetary data reflected in these financial statements:

1. A public meeting is scheduled by the Village Council after allowing for at least 10 days notice to the public at the time the budget is initially submitted to the Village Council.
2. The budget must be finally adopted by the Council prior to the last day of the preceding fiscal year.
3. The Mayor and Village Council may authorize transfers of budgetary amounts within departments and revisions requiring alteration of levels of expenditures or transfers between departments.
4. Operating appropriations, to the extent not expended or encumbered, lapse at year-end. Capital appropriations continue in force until the project is completed or deemed abandoned.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Fund. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

The budgeted accounts shown in these financial statements include the original and final budget amounts for the year ending June 30, 2014. The budget was properly amended during a public meeting held on June 11, 2014.

VILLAGE OF CANKTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING - Continued

ENCUMBRANCES

The Village does not employ the encumbrance system of accounting.

INVENTORY

The Village practices the policy of recording materials and supplies as expenditures or expenses when acquired. The Village does not record any of these items as inventory because the amount of the items in stock is insignificant.

COMPENSATED ABSENCES

An employee must be employed by the Village of Cankton for at least one (1) year before they will be entitled to one (1) week paid vacation. After five (5) years employment with the Village the employee will be entitled to two (2) weeks paid vacation per year. Unused vacation may not be accumulated or carried over from one anniversary date of employment to another. An employee may get paid for any unused vacation during that same calendar year. All employees shall earn sick leave at a rate of one (1) day for each month worked. Employees may not accumulate more than ten (10) days sick leave per year and no more than thirty (30) days of sick leave overall. Employees do not get paid for unused sick leave.

RESTRICTED ASSETS

Restricted assets include cash and interest-bearing deposits of the Proprietary Fund that are legally restricted as to their use. The restricted assets are related to the utility meter deposits.

LONG-TERM DEBT

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The accounting for proprietary fund long-term debt is the same in the fund statements as it is in the government-wide statements.

REVENUES, EXPENDITURES AND EXPENSES

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. They also include all revenues and expenses not related to capital and related financing, noncapital financing or investing activities.

VILLAGE OF CANKTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING - Continued

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds - By Character
 Proprietary Fund - By Operating and Nonoperating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purpose of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

EQUITY CLASSIFICATIONS

In the government-wide statements, equity is classified as net position and displayed in three components:

1. Net investment in capital assets - Consist of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net position - Consist of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted net position - All other net position that do not meet the definition of "restricted" or "net invested in capital assets."

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance reports aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources.

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

1. Restricted fund balance – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions for enabling legislation.

VILLAGE OF CANKTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING – Continued

EQUITY CLASSIFICATIONS – Continued

2. Committed fund balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Board of Aldermen – the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Board of Aldermen removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
3. Assigned fund balance – This classification reflects the amounts constrained by the Village's "intent" to be used for specific purposes, but are neither restricted nor committed. The Board of Aldermen, Mayor and Village Clerk have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.
4. Unassigned fund balance – This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use externally restricted resources first, then unrestricted resources – committed, assigned and unassigned – in order as needed.

ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

COMPARATIVE DATA

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the individual fund financial statements. However, comparative data has not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

NOTE (2) RECEIVABLES

The receivables of the business-type activities at June 30, 2014 consist of the following:

Business-type Activities

Water Fund	
Customers' accounts receivable	\$ 37,523
Tap fee receivable	6,721
NSF receivable	390
Waterworks District No. 2 receivable	3,251
Less: Allowance for doubtful accounts	<u>(7,626)</u>
Total	<u>40,259</u>

VILLAGE OF CANKTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE (3) RETIREMENT

The employees of the Village contribute to the social security system.

NOTE (4) DEDICATION OF SALES TAX PROCEEDS

Proceeds of the one percent (1%) sales and use tax being levied by the Village of Cankton, after payment of all necessary expenses of collection and administration, have been dedicated to constructing, acquiring, extending, improving and/or maintaining drainage facilities, streets, sidewalks, sewers and sewerage disposal works, public buildings, police department and equipment, public parks, recreational facilities, waterworks, disposal of garbage, street lighting, purchasing of immovable property and purchasing and acquiring equipment and furnishings for the aforesaid public works, buildings, improvements, and facilities.

NOTE (5) CAPITAL ASSETS

Capital assets and depreciation activity, as of and for the year ended June 30, 2014, for the Village of Cankton are as follows:

	Balances July 1, 2013	Additions	Disposals	Balances June 30, 2014
Governmental activities				
Land	\$ 2,500	\$ -	\$ -	\$ 2,500
Buildings and improvements	275,691	40,997	-	316,688
Equipment	116,986	-	-	116,986
Furniture and fixtures	8,486	-	-	8,486
Vehicles	207,253	3,400	(10,500)	200,153
Other structures and improvements	92,572	-	-	92,572
<u>Totals at historical cost</u>	<u>703,488</u>	<u>44,397</u>	<u>(10,500)</u>	<u>737,385</u>
Less accumulated depreciation				
Buildings and improvements	176,201	7,619	-	183,820
Equipment	72,566	7,171	-	79,737
Furniture and fixtures	7,359	139	-	7,498
Vehicles	112,413	12,302	(10,500)	114,215
Other structures and improvements	49,447	1,954	-	51,401
<u>Totals accumulated depreciation</u>	<u>417,986</u>	<u>29,185</u>	<u>(10,500)</u>	<u>436,671</u>
Governmental activities, capital assets, net	<u>285,502</u>	<u>15,212</u>	<u>-</u>	<u>300,714</u>
Business-type activities				
Waterworks plant and equipment	\$ 2,478,663	\$ 33,093	\$ -	\$ 2,511,756
Land	95,619	-	-	95,619
<u>Total at historical cost</u>	<u>2,574,282</u>	<u>33,093</u>	<u>-</u>	<u>2,607,375</u>
Less accumulated depreciation				
Waterworks plant and equipment	629,215	65,089	-	694,304
<u>Total accumulated depreciation</u>	<u>629,215</u>	<u>65,089</u>	<u>-</u>	<u>694,304</u>
Business-type, capital assets, net	<u>1,945,067</u>	<u>(31,996)</u>	<u>-</u>	<u>1,913,071</u>

VILLAGE OF CANKTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE (5) CAPITAL ASSETS (Continued)

Depreciation expense was charged to governmental activities as follows:

General government	\$ 8,756
Public safety - police	7,281
Public safety - fire	<u>13,148</u>
Total	<u>29,185</u>

NOTE (6) ACCOUNTS AND OTHER PAYABLES

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Accounts payable	\$ 5,021	\$ 4,605	\$ 9,626
Customers' deposits	-	40,630	40,630
Other liabilities	<u>194</u>	<u>1,358</u>	<u>1,552</u>
Total	<u>5,215</u>	<u>46,593</u>	<u>51,808</u>

NOTE (7) ENTERPRISE FUND - RESTRICTED ASSETS

Certain assets of the Enterprise Fund have been restricted for customers' deposits. These assets consist of cash and short-term investments as follows:

Customers' deposits	<u>\$ 41,743</u>
Total restricted assets	<u>41,743</u>

NOTE (8) GRANTS

During the year ended June 30, 2014, the Village of Cankton received a grant from the State of Louisiana under the Local Government Assistant Program in the amount of \$8,000 for the purpose of installing a valve and to move the back-wash pit per DHH regulations.

During the year ended June 30, 2014, the Village of Cankton received a grant from the State of Louisiana under the Community Water Enrichment Fund program in the amount of \$10,000 for the purpose of installing shut-off valves in different areas of the water system.

During the year ended June 30, 2014, the Village of Cankton was awarded a grant from the State of Louisiana under the Community Water Enrichment Fund program in the amount of \$10,125. The Village received \$8,800 for the remaining cost of moving the back-wash pit per DHH regulations

NOTE (9) OPERATING LEASE

The Village of Cankton entered into an operating lease with the St. Landry Parish Solid Waste Disposal District for a tractor loader in November, 2005. The lease agreement requires annual payments of \$100 for a term of 5 years. At the end of the lease, the Village had the option to renew the lease on a year to year basis.

VILLAGE OF CANKTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE (10) INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2014 consist of the following:

	<u>Interfund Transfers In</u>	<u>Interfund Transfers Out</u>
Governmental Fund - General Fund	\$ 45,000	\$ -
Governmental Fund - Sales Tax Fund		30,000
Enterprise Fund - Water Fund	-	15,000
Total	<u>45,000</u>	<u>45,000</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in one fund to finance various programs accounted for in other funds in accordance with budgetary authorization.

NOTE (11) OTHER POST-EMPLOYMENT BENEFITS

The Village of Cankton does not provide any post-employment benefits to retirees other than pension and therefore is not required to report under GASB Statement No. 45, Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions.

NOTE (12) FUND BALANCE CONSTRAINTS

The constraints on fund balance as listed in aggregate in the Statement of Revenues, Expenditures, and Changes in Fund Balances are detailed according to balance classification and fund.

	<u>General Fund</u>	<u>Sales Tax</u>	<u>Total</u>
Fund Balances:			
Nonspendable:	\$ -	\$ -	\$ -
Restricted:	-	221,960	221,960
Committed:	-	-	-
Assigned:			
Other Purposes	-	-	-
Unassigned:	<u>40,553</u>	<u>-</u>	<u>40,553</u>
Total fund balances	<u>40,553</u>	<u>221,960</u>	<u>262,513</u>

NOTE (13) SUBSEQUENT EVENTS

Subsequent events were evaluated through November 10, 2014, which is the date the financial statements were available to be issued. As of November 10, 2014, there were no subsequent events noted.

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULES

VILLAGE OF CANKTON, LOUISIANA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL TOTALS FOR 2013

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>2013 ACTUAL</u>
	<u>ORIGINAL</u>	<u>FINAL</u>			
<u>REVENUES</u>					
Taxes	\$ 28,600	\$ 28,600	\$ 27,729	\$ (871)	\$ 22,340
Licenses and permits	13,000	13,000	14,107	1,107	15,023
Intergovernmental	30,700	40,700	29,612	(11,088)	41,364
Fines	25,000	40,000	43,307	3,307	23,908
Charges for services	2,000	2,000	1,800	(200)	2,550
Miscellaneous	3,100	3,100	3,697	597	5,532
<u>Total revenues</u>	<u>102,400</u>	<u>127,400</u>	<u>120,252</u>	<u>(7,148)</u>	<u>110,717</u>
<u>EXPENDITURES</u>					
Current operating					
Executive and administrative	51,260	55,660	60,121	(4,461)	54,953
Public Safety					
Police Department	61,975	61,975	55,807	6,168	54,632
Fire Department	10,300	21,300	11,873	9,427	11,195
Capital outlay	-	29,520	44,397	(14,877)	12,770
<u>Total expenditures</u>	<u>123,535</u>	<u>168,455</u>	<u>172,198</u>	<u>(3,743)</u>	<u>133,550</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(21,135)</u>	<u>(41,055)</u>	<u>(51,946)</u>	<u>(10,891)</u>	<u>(22,833)</u>
<u>OTHER FINANCING SOURCES</u>					
Operating transfers in	25,000	45,000	45,000	-	35,000
Gain on sale of fixed assets	-	-	2,100	2,100	-
<u>Total other financing sources</u>	<u>25,000</u>	<u>45,000</u>	<u>47,100</u>	<u>2,100</u>	<u>35,000</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>3,865</u>	<u>3,945</u>	<u>(4,846)</u>	<u>(8,791)</u>	<u>12,167</u>
<u>FUND BALANCES, beginning of year</u>			<u>45,399</u>		<u>33,232</u>
<u>FUND BALANCES, end of year</u>			<u>40,553</u>		<u>45,399</u>

VILLAGE OF CANKTON, LOUISIANA
SALES TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL TOTALS FOR 2013

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>2013 ACTUAL</u>
	<u>ORIGINAL</u>	<u>FINAL</u>			
<u>REVENUES</u>					
Taxes					
Sales tax collections	\$ 28,000	\$ 28,000	\$ 26,907	\$ (1,093)	\$ 30,510
Miscellaneous					
Interest income	500	500	316	(184)	491
<u>Total revenues</u>	<u>28,500</u>	<u>28,500</u>	<u>27,223</u>	<u>(1,277)</u>	<u>31,001</u>
<u>EXPENDITURES</u>					
Executive and administrative					
Collection fee	300	300	269	31	303
Security lighting	10,000	10,000	10,538	(538)	9,927
Legal and accounting	1,250	1,250	-	1,250	-
Miscellaneous	1,000	1,000	-	1,000	-
<u>Total expenditures</u>	<u>12,550</u>	<u>12,550</u>	<u>10,807</u>	<u>1,743</u>	<u>10,230</u>
<u>EXCESS (DEFICIENCY) OF</u>					
<u>OVER (UNDER) EXPENDITURES</u>	<u>15,950</u>	<u>15,950</u>	<u>16,416</u>	<u>466</u>	<u>20,771</u>
<u>OTHER FINANCING USES</u>					
Operating transfers out	-	-	(30,000)	(30,000)	-
<u>Total other financing uses</u>	<u>-</u>	<u>-</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>15,950</u>	<u>15,950</u>	<u>(13,584)</u>	<u>(29,534)</u>	<u>20,771</u>
<u>FUND BALANCES, beginning of year</u>			<u>235,544</u>		<u>214,773</u>
<u>FUND BALANCES, end of year</u>			<u>221,960</u>		<u>235,544</u>

OTHER SUPPLEMENTARY INFORMATION

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund. The General Fund has a greater number and variety of revenue sources than any other fund, and its resources normally finance a wider range of activities. The resources of the General Fund are ordinarily largely expended and replenished on an annual basis.

VILLAGE OF CANKTON, LOUISIANA
GENERAL FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<u>ASSETS</u>		
<u>CURRENT ASSETS</u>		
Cash	\$ 29,551	\$ 37,733
Intergovernmental receivable	13,305	11,245
Due from other funds	2,028	-
<u>Total assets</u>	<u>44,884</u>	<u>48,978</u>
<u>LIABILITIES AND FUND BALANCES</u>		
<u>LIABILITIES</u>		
Accounts payable	\$ 4,137	\$ 2,504
Payroll taxes payable	194	1,078
<u>Total liabilities</u>	<u>4,331</u>	<u>3,582</u>
<u>FUND BALANCES</u>		
Unassigned	40,553	45,399
<u>Total fund balances</u>	<u>40,553</u>	<u>45,399</u>
<u>Total liabilities and fund balances</u>	<u>44,884</u>	<u>48,981</u>

VILLAGE OF CANKTON, LOUISIANA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL TOTALS FOR 2013

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>2013 ACTUAL</u>
	<u>ORIGINAL</u>	<u>FINAL</u>			
<u>REVENUES</u>					
Taxes	\$ 28,600	\$ 28,600	\$ 27,729	\$ (871)	\$ 22,340
Licenses and permits	13,000	13,000	14,107	1,107	15,023
Intergovernmental	30,700	40,700	29,612	(11,088)	41,364
Fines	25,000	40,000	43,307	3,307	23,908
Charges for services	2,000	2,000	1,800	(200)	2,550
Miscellaneous	3,100	3,100	3,697	597	5,532
<u>Total revenues</u>	<u>102,400</u>	<u>127,400</u>	<u>120,252</u>	<u>(7,148)</u>	<u>110,717</u>
<u>EXPENDITURES</u>					
Current operating					
Executive and administrative	51,260	55,660	60,121	(4,461)	54,953
Public Safety					
Police Department	61,975	61,975	55,807	6,168	54,632
Fire Department	10,300	21,300	11,873	9,427	11,195
Capital outlay	-	29,520	44,397	(14,877)	12,770
<u>Total expenditures</u>	<u>123,535</u>	<u>168,455</u>	<u>172,198</u>	<u>(3,743)</u>	<u>133,550</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(21,135)</u>	<u>(41,055)</u>	<u>(51,946)</u>	<u>(10,891)</u>	<u>(22,833)</u>
<u>OTHER FINANCING SOURCES</u>					
Operating transfers in	25,000	45,000	45,000	-	35,000
Gain on sale of fixed assets	-	-	2,100	2,100	-
<u>Total other financing sources</u>	<u>25,000</u>	<u>45,000</u>	<u>47,100</u>	<u>2,100</u>	<u>35,000</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>3,865</u>	<u>3,945</u>	<u>(4,846)</u>	<u>(8,791)</u>	<u>12,167</u>
<u>FUND BALANCES, beginning of year</u>			<u>45,399</u>		<u>33,232</u>
<u>FUND BALANCES, end of year</u>			<u>40,553</u>		<u>45,399</u>

VILLAGE OF CANKTON, LOUISIANA
GENERAL FUND
DETAILED SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL TOTALS FOR 2013

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>2013 ACTUAL</u>
	<u>ORIGINAL</u>	<u>FINAL</u>			
<u>TAXES</u>					
Franchise - telephone	\$ 2,000	\$ 2,000	\$ 1,370	\$ (630)	\$ 1,930
Franchise - gas	1,600	1,600	1,179	(421)	989
Franchise - electric	25,000	25,000	25,180	180	19,421
<u>Total taxes</u>	<u>28,600</u>	<u>28,600</u>	<u>27,729</u>	<u>(871)</u>	<u>22,340</u>
<u>LICENSES AND PERMITS</u>					
Occupational licenses	13,000	13,000	14,107	1,107	15,023
<u>Total licenses and permits</u>	<u>13,000</u>	<u>13,000</u>	<u>14,107</u>	<u>1,107</u>	<u>15,023</u>
<u>INTERGOVERNMENTAL</u>					
State beer tax	700	700	552	(148)	785
Racino income	30,000	30,000	29,060	(940)	30,579
State grants	-	10,000	-	(10,000)	10,000
<u>Total intergovernmental</u>	<u>30,700</u>	<u>40,700</u>	<u>29,612</u>	<u>(11,088)</u>	<u>41,364</u>
<u>FINES</u>					
Court fines	25,000	40,000	43,307	3,307	23,908
<u>CHARGES FOR SERVICES</u>					
Park rental	-	-	350	350	400
Rental of hall	2,000	2,000	1,450	(550)	2,150
<u>Total charges for services</u>	<u>2,000</u>	<u>2,000</u>	<u>1,800</u>	<u>(200)</u>	<u>2,550</u>
<u>MISCELLANEOUS</u>					
Interest income	100	100	7	(93)	11
Insurance rebate	2,000	2,000	2,024	24	3,908
Miscellaneous	1,000	1,000	1,666	666	1,513
<u>Total miscellaneous</u>	<u>3,100</u>	<u>3,100</u>	<u>3,697</u>	<u>597</u>	<u>5,532</u>
<u>Total revenues</u>	<u>102,400</u>	<u>127,400</u>	<u>120,252</u>	<u>(7,148)</u>	<u>110,717</u>

VILLAGE OF CANKTON, LOUISIANA
GENERAL FUND
DETAILED SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL TOTALS FOR 2013

	BUDGET			VARIANCE	2013
	ORIGINAL	FINAL	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
<u>EXECUTIVE AND ADMINISTRATIVE</u>					
Salaries	\$ 14,500	\$ 18,900	\$ 18,924	\$ (24)	\$ 15,602
Payroll taxes	1,100	1,100	3,585	(2,485)	3,435
Insurance	9,000	9,000	10,847	(1,847)	9,717
Uniforms	-	-	-	-	106
Legal and accounting	4,000	4,000	1,287	2,713	125
Consulting fees	-	-	500	(500)	500
Notices and publications	600	600	-	600	-
Dues	1,000	1,000	2,065	(1,065)	1,394
Office supplies	1,500	1,500	2,383	(883)	1,395
Hall supplies	600	600	656	(56)	665
Conventions and travel	3,000	3,000	620	2,380	1,187
Repairs and maintenance	2,000	2,000	2,200	(200)	4,069
Pest control	600	600	600	-	600
Telephone	3,000	3,000	2,723	277	2,868
Utilities	3,300	3,300	3,587	(287)	3,147
Park expense	3,000	3,000	2,604	396	3,561
U.C. Fund	60	60	3	57	174
Road and drainage expenditures	-	-	-	-	2,975
Miscellaneous	4,000	4,000	7,537	(3,537)	3,433
<u>Total executive and administrative</u>	<u>51,260</u>	<u>55,660</u>	<u>60,121</u>	<u>(4,461)</u>	<u>54,953</u>
<u>POLICE DEPARTMENT</u>					
Salaries	25,000	25,000	25,551	(551)	28,473
Payroll taxes	3,075	3,075	-	3,075	-
Insurance	6,500	6,500	5,040	1,460	7,023
Uniforms	1,800	1,800	1,142	658	953
Court costs	3,000	3,000	2,647	353	1,229
Dues and subscriptions	300	300	-	300	217
Office supplies	1,300	1,300	-	1,300	-
Supplies	4,000	4,000	2,757	1,243	3,075
Gas and oil	8,000	8,000	6,405	1,595	6,160
Conventions and travel	500	500	-	500	-
Repairs and maintenance	4,000	4,000	7,648	(3,648)	3,294
Telephone	4,000	4,000	4,328	(328)	3,621
Miscellaneous	500	500	289	211	587
<u>Total police department</u>	<u>61,975</u>	<u>61,975</u>	<u>55,807</u>	<u>6,168</u>	<u>54,632</u>
<u>FIRE DEPARTMENT</u>					
Supplies	3,000	3,000	4,365	(1,365)	6,409
Insurance	3,600	3,600	5,755	(2,155)	3,460
Gas and oil	200	200	506	(306)	262
Repairs and maintenance	1,000	1,000	40	960	20
Utilities	1,500	1,500	1,207	293	1,044
Miscellaneous	1,000	12,000	-	12,000	-
<u>Total fire department</u>	<u>10,300</u>	<u>21,300</u>	<u>11,873</u>	<u>9,427</u>	<u>11,195</u>
<u>CAPITAL OUTLAY</u>	<u>-</u>	<u>29,520</u>	<u>44,397</u>	<u>(14,877)</u>	<u>12,770</u>
<u>Total expenditures</u>	<u>123,535</u>	<u>168,455</u>	<u>172,198</u>	<u>(3,743)</u>	<u>133,550</u>

SPECIAL REVENUE FUND

Special Revenue funds are used to account for resources legally restricted to expenditures for specified current operating purposes or the acquisition of furniture, fixtures, machinery, equipment, or other relatively minor or comparatively short-lived assets.

The Sales Tax Fund is used to account for collection and expenditures of the Village's one percent (1%) sales tax.

VILLAGE OF CANKTON, LOUISIANA
SPECIAL REVENUE FUND
SALES TAX FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<u>ASSETS</u>		
Cash	\$ 113,543	\$ 127,169
Investments	<u>109,301</u>	<u>109,249</u>
<u>Total assets</u>	<u>222,844</u>	<u>236,418</u>
 <u>LIABILITIES AND FUND BALANCES</u>		
<u>LIABILITIES</u>		
Accounts payable	\$ 884	\$ 874
<u>Total liabilities</u>	<u>884</u>	<u>874</u>
 <u>FUND BALANCES</u>		
Restricted	<u>221,960</u>	<u>235,544</u>
 <u>Total liabilities and fund balances</u>	<u>222,844</u>	<u>236,418</u>

VILLAGE OF CANKTON, LOUISIANA
SPECIAL REVENUE FUND
SALES TAX FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL TOTALS FOR 2013

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>2013 ACTUAL</u>
	<u>ORIGINAL</u>	<u>FINAL</u>			
<u>REVENUES</u>					
Taxes					
Sales tax collections	\$ 28,000	\$ 28,000	\$ 26,907	\$ (1,093)	\$ 30,510
Miscellaneous					
Interest income	500	500	316	(184)	491
<u>Total revenues</u>	<u>28,500</u>	<u>28,500</u>	<u>27,223</u>	<u>(1,277)</u>	<u>31,001</u>
<u>EXPENDITURES</u>					
Executive and administrative					
Collection fee	300	300	269	31	303
Security lighting	10,000	10,000	10,538	(538)	9,927
Legal and accounting	1,250	1,250	-	1,250	-
Miscellaneous	1,000	1,000	-	1,000	-
<u>Total expenditures</u>	<u>12,550</u>	<u>12,550</u>	<u>10,807</u>	<u>1,743</u>	<u>10,230</u>
<u>EXCESS (DEFICIENCY) OF</u>					
<u>OVER (UNDER) EXPENDITURES</u>	<u>15,950</u>	<u>15,950</u>	<u>16,416</u>	<u>466</u>	<u>20,771</u>
<u>OTHER FINANCING USES</u>					
Operating transfers out	-	-	(30,000)	(30,000)	-
<u>Total other financing uses</u>	<u>-</u>	<u>-</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>15,950</u>	<u>15,950</u>	<u>(13,584)</u>	<u>(29,534)</u>	<u>20,771</u>
<u>FUND BALANCES</u> , beginning of year			<u>235,544</u>		<u>214,773</u>
<u>FUND BALANCES</u> , end of year			<u>221,960</u>		<u>235,544</u>

RELATED REPORTS

James L. Nicholson, Jr., CPA
 G. Kenneth Pavy, II, CPA
 Michael A. Roy, CPA
 Lisa Trouille Manuel, CPA
 Dana D. Quebedeaux, CPA



JOHN S. DOWLING & COMPANY
 A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

John S. Dowling, CPA
 1904-1984
 John Newton Stout, CPA
 1936-2005
 Chizal S. Fontenot, CPA
 1955-2012

Retired

Harold Dupre, CPA
 1996
 Dwight Ledoux, CPA
 1998
 Joel Lanclos, Jr., CPA
 2003
 Russell J. Stelly, CPA
 2005

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
 OVER FINANCIAL REPORTING AND ON COMPLIANCE
 AND OTHER MATTERS BASED ON AN AUDIT OF
 FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
 GOVERNMENT AUDITING STANDARDS

The Honorable Susan Menard, Mayor
 and Members of the Board of Aldermen
 Village of Cankton, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund of the Village of Cankton, Louisiana, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Village of Cankton's basic financial statements and have issued our report thereon dated November 10, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village of Cankton's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village of Cankton's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village of Cankton's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses that we consider to be a significant deficiency as finding 2014-001.

The Honorable Susan Menard, Mayor
and Members of the Board of Aldermen
Page 2

Compliance and Other Matters


As part of obtaining reasonable assurance about whether the Village of Cankton, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed two instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as item 2014-002 and 2014-003.

The Village of Cankton's Response to Findings

The Village of Cankton's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The Village of Cankton's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513 this report is distributed by the Legislative Auditor as a public document.


Opelousas, Louisiana
November 10, 2014

VILLAGE OF CANKTON, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2014

A. SUMMARY OF AUDIT RESULTS

1. We have audited the basic financial statements of the Village of Cankton, Louisiana, as of and for the year ended June 30, 2014, and have issued our report thereon dated November 10, 2014. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of OMB Circular A-133. Our audit of the financial statements as of June 30, 2014 resulted in an unqualified opinion.
2. One significant deficiency and no material weaknesses relating to the audit of the financial statements were reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. Two instances of noncompliance relating to the audit of the financial statements was reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
4. No management letter was issued for the Village of Cankton, Louisiana, as of and for the year ended June 30, 2014.
5. There was no single audit required under OMB Circular A-133.

B. 2014 FINDINGS - FINANCIAL STATEMENT AUDIT

2014-001 Improper Segregation of Duties within Accounting Functions

Condition: The Village of Cankton does not have adequate segregation of duties over accounting functions.

Criteria: A reporting entity should have adequate segregation of duties over accounting functions.

Cause: There is only one employee who performs accounting functions for the Village of Cankton.

Effect: There was inadequate segregation of duties within the accounting system and it is important that you are aware of this condition because errors or fraud could occur and not be detected.

Recommendation: Based on the size of the operation, it may not be feasible to achieve complete segregation of duties within the accounting system.

Management's Response: Based upon the size of the operation and the cost-benefit of additional personnel, it is not feasible to achieve complete segregation of duties within the accounting system.

2014-002 Actual Expenditures Exceeded Budgeted Expenditures by More than Five Percent

Condition: Total actual expenditures exceeded total budgeted expenditures by \$28,257 in the Sales Tax Fund, which caused the percentage variance to be 225 percent.

Criteria: Louisiana Revised Statute 39:1310 states that the budget must be properly amended when total expenditures exceed total budgeted expenditures by 5 percent or more.

VILLAGE OF CANKTON, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2014

B. 2014 FINDINGS - FINANCIAL STATEMENT AUDIT - Continued

2014-002 Actual Expenditures Exceeded Budgeted Expenditures by More than Five Percent - Continued

Cause: The budget was not properly amended to account for the increase in expenditures.

Effect: Although the budget was amended before the fiscal year-end the actual expenditures exceeded budget expenditures by more than 5 percent.

Recommendation: In the future, the Village of Cankton, Louisiana should attempt to budget expenditures more accurately to reflect actual expenditures in the future.

Management's Response: The Village of Cankton will amend the budgeted expenditures to more accurately reflect actual expenditures so as not to exceed the 5%.

2014-003 Budget Presentation

Condition: The budget was not prepared in the required format.

Criteria: The Louisiana Local Government Budget Act (RS 39:1305(c)(2)(a)) states that the budget must be presented in a specific format.

Cause: The budget was not properly presented.

Effect: The format required by the Louisiana Local Government Budget Act was not followed.

Recommendation: The Village of Cankton should prepare the budget in accordance with the Louisiana Local Government Budget Act.

Management's Response: The Village of Cankton will prepare all future budgets in accordance with the Louisiana Local Budget Act.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

N/A

VILLAGE OF CANKTON, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2014

Section I - Internal Control and Compliance Material to the Financial Statements

2013-1 Improper Segregation of Duties within Accounting Functions

Repeat Comment

2013-2 Budgeted Revenues Exceeded Actual Revenues by More than Five Percent

Resolved

2013-3 Public Bid Law Not Followed

Resolved

2013-4 Budget Presentation

Repeat Comment

Section II - Internal Control and Compliance Material to Federal Awards

None

Section III - Management Letter

None

OTHER SUPPLEMENTARY SCHEDULES

VILLAGE OF CANKTON, LOUISIANA
PROPRIETARY FUND
SCHEDULE OF OPERATING EXPENSES
FOR THE YEAR ENDED JUNE 30, 2014

Personal services

Salaries and wages	\$ 41,427
Payroll taxes	2,955
	<u>44,382</u>

Supplies

Materials and supplies	20,812
Office supplies and postage	5,882
	<u>26,694</u>

Other

Meter connect fee	18,755
Insurance	11,683
Gas and oil	3,385
Miscellaneous	1,261
Truck expense	3,808
Utilities	11,182
Legal and professional services	13,930
Repairs and maintenance	24,663
Software support	1,429
Convention and travel	256
Dues and subscriptions	385
Bad debt expense	(1,077)
Advertising	152
	<u>89,812</u>

Depreciation

65,089

Total operating expenses

225,977

VILLAGE OF CANKTON, LOUISIANA
SCHEDULE OF COMPENSATION PAID TO GOVERNING BODY
FOR THE YEAR ENDED JUNE 30, 2014

GENERAL

COMPENSATION TO BOARD MEMBERS

Neither the Mayor nor the Board Members receive compensation while serving as the Village's governing body.

VILLAGE OF CANKTON, LOUISIANA
SCHEDULE OF INSURANCE IN FORCE (UNAUDITED)
JUNE 30, 2014

INSURER	COVERAGE	TYPE OF COVERAGE	LIMITS	CO-INSURANCE	EFFECTIVE DATE	
					FROM	TO
Louisiana Municipal Risk Management Agency	Group Self Insurance Fund for Workmen's Compensation and Employer Liability Risk Sharing	Workmen's compensation	Statutory		1/1/2014	1/1/2015
Louisiana Municipal Risk Management Agency	1999 Chevrolet pickup 2008 Ford Crown Victoria 1995 Chevrolet pickup	Liability	\$500,000		7/1/2013	7/1/2014
Dupre-Carrier-Godchaux Agency	Fire station, city hall and waterworks system	Fire, lightning, extended coverage, contents, and vandalism and malicious mischief	\$1,000 deductible	90%	12/15/2013	12/15/2014
EMC Insurance Companies	Town Clerk	Bond	\$100,000		8/23/2013	8/23/2014
EMC Insurance Companies	Mayor	Bond	\$40,000		8/23/2013	8/23/2014
EMC Insurance Companies	All employees	Employee theft policy	\$1,000 per occurrence \$10,000 limit		8/23/2013	8/23/2014
Louisiana Municipal Risk Management Agency	Commercial general liability	Personal and advertising injury and terrorism	\$500,000		7/1/2013	7/1/2014
Louisiana Municipal Risk Management Agency	Law enforcement officers' liability	Personal injury property damage	\$500,000 \$1,000 deductible		7/1/2013	7/1/2014
Louisiana Municipal Risk Management Agency	Public officials' liability	Errors and omission	\$500,000 \$1,000 deductible		7/1/2013	7/1/2014
Louisiana Municipal Risk Management Agency	2003 GMC Pumper (Fire truck)	Liability, comprehensive, collision	\$142,018 \$1,000 comprehensive deductible \$1,000 collision deductible		7/1/2013	7/1/2014
American Alternative Insurance Corporation	Contractors' Equipment coverage	Liability	\$1,000 deductible	80%	3/14/2014	3/14/2015
Essex Insurance Company	1999 Chevrolet pickup	Collision, comprehensive, and terrorism	\$8,000 \$250 comprehensive deductible \$500 collision deductible		7/1/2013	7/1/2014

VILLAGE OF CANKTON, LOUISIANA
SCHEDULE OF INVESTMENTS - ALL FUNDS
JUNE 30, 2014

	<u>INTEREST RATES</u>	<u>MATURITY DATES</u>	<u>TOTAL BOOK VALUE</u>
<u>SALES TAX FUND</u>			
Certificate of Deposit Farmers State Bank and Trust Co.	0.25%	8/28/2014	\$ 85,436
Certificate of Deposit Farmers State Bank and Trust Co.	0.25%	7/18/2015	<u>23,865</u>
			<u>109,301</u>
<u>ENTERPRISE FUND</u>			
Certificate of Deposit Farmers State Bank and Trust Co.	0.25%	8/21/2014	\$ 22,328
Certificate of Deposit Farmers State Bank and Trust Co.	0.25%	8/23/2014	14,643
Certificate of Deposit Farmers State Bank and Trust Co.	0.25%	9/15/2014	12,528
Certificate of Deposit Farmers State Bank and Trust Co.	0.25%	1/15/2015	8,261
Certificate of Deposit Farmers State Bank and Trust Co.	0.25%	9/15/2014	37,584
Certificate of Deposit Farmers State Bank and Trust Co.	0.25%	1/15/2015	24,196
Certificate of Deposit Farmers State Bank and Trust Co.	0.25%	8/17/2014	20,099
Certificate of Deposit Farmers State Bank and Trust Co.	0.25%	6/2/2015	<u>57,945</u>
			<u>197,584</u>